<del>?</del>14

#### Chapter 62 - Telecommunications Ordinance

(2) Telecommunication services to the City shall be charged at a rate no higher than that charged to any other governmental, public or private subscriber.

#### CREENER NO. 15-644

"AN ORDINANCE TO AMEND CRRIMANCE NO. 94-502 METITLED,
'AN ORDINANCE RESULATING THE GRAVEING OF PRANCEISES
FOR THE SCHOOL PROPERSONS SYSTEMS.""

#### THE CITY OF DEARBORN ORDLINE:

### GENERAL PROVISIONS

- Section 1.1 This Ordinance shall be known and may be eited as the Dearborn Telecommunications Systems Regulatory Ordinance.
- Section 1.2 Unless otherwise stated, the fellowing definitions of terms shall apply throughout this Ordinance:
  - a) City shall mean the City of Dearbein.
  - b) Council shall mean the City Council of the City of Dearborn.
  - o) <u>Gustamer</u> is any person who contracts with a Grantee for, or is in any susmer provided with Telecommunications System Service.
  - 4) Prenchise in a non-exclusive, limited authorization awayded by ordinance for the construction, maintenance and operation of a relecommunications System on, under, over or across the public ways of the City and/or to transact local telecommunications business therein.
  - c) <u>Grantes</u> is any holder of a Tolescommunications System Franchise granted pursuant to this ordinance.
  - 2) Person shall mean any individual, corporation, partnership or any other entity.
  - g) Astrine means the provision or offering of telecommunications service (either directly of as a capries for others) to resons vitain the City by means of the Telecommunications System, Specifically expluded are telecommunications services subject to regulation under the Cable Act of 1984, 47 U.S.C. § 521, at mag. as amended ("Cable Ast"). Any of service to residential ousteness shall be subject to Council approval, which shall not be unreasonably withheld or delayed.
  - h) Telegramminations System means the telegramminations network to be constructed and installed by Grantes and used to provide Service pursuant to and in accordance with a Franchise,

impluding all network facilities such as Cables, conduits, access membeles, rights-of-way, equipment, devices and appurtenances to be used by Grantee to make the telecommunications network fully operational. Specifically excluded are telecommunications systems subject to regulation under the Cable Lot.

- section 1.3 It shall be unlevful for any Person to own, service, use, transmit ever or operate a releasementications Syntem within the City unless muthorised by a valid grant of Franchise.
- Section 1.4 The City may grant one or more Franchises for Telecommunications Systems in the City subject to this Ordinanom. The City specifically reserves the right to grant, at any time, such additional Franchises for a Telecommunications System as it does appropriate. Additional Franchises shall not be doesed to modify, revoke, terminate or damage any rights previously granted to any other Grantee.
- Section 1.5 He grant of Franchise shall be valid unless authorised by entirence adopted by the council and until a Franchise agreement has been executed by the Mayor and filed with the City Slark. The Mayor is authorised to execute agreements to extend a Franchise for a period of one year or leas.
- Section 1.6 All Persons owning or operating a relecommunications System within the City shell designate a local representative, operate a local business office within the quester Detroit Metropolitan area, and shell have a publicly-listed telephone.
- Section 1.7 The sweet(s) or operator(s) of all franchised Telecommunications Systems operating in the City shall file with the City Engineer and the Department of Communications annually during a construction year and swery two years thereafter, a current map and submidiary plats showing the exact location of the transmission and distribution facilities and equipment of the system in the public right-of-way.
- Franchised Telecommunications System operating in the City shell be constructed and maintained at a state-of-the-art level in accordance with the applicable requirements and specifications of the Maticum! Electrical Code as adopted by the City of Dearborn, the applicable rules and regulations of the Federal Communication Communication, and all other pertinent ordinances and codes of the City

- the City for use of rights of way and provision to by the dramtas of dervices and shoilities to the City, as public interest may require, subject to the limitations of any applicable reders), state or level law. ant required by faction as and conditions,
- In recognition of the unique eturacter of electronistications framehises, a franchise fee hall be determined through a negotiated renotise for procedure based upon the value of ervices for similar agreements and other extinent factors. to entar
- Bestian 1.11 any Franchise gred in any manner either directly rectly without the prior written commoil. by the City hereunder trust by the Grantse seterred, assumed or CONSIGNATION OF

# DEPARTMENT OF COMMICATIONS

- Bestian 3. The Dearborn Repertment of Communications the "Department of Communications") shall the "Department of Communications") shall review and make recommendations upon any manchines of an existing ranghise, any new Franchise and for the renew. tenena! Oity
- Bection 2.3 clerk, secondensations of the Department of and Commentations shall be filed with the City City.
- Priment of Communications decisions, leptions of operational standards and living out to the living or person apprisated thereby. Wy matry or person apprisated thereby. My myhold de reverse the ruling or my remaind to the Department of the Primer of the
- 1 loom! priment of

## SANCTIONS AND PENALTIES

- Section 3.1 The Council May suspend or revoke any Pranchise of any Telecommunications System for violation of any of the material previations of this dydinance and/or any Selecommunications Systems Franchise Ordinance upon the recommendation of the Dapartment of Communications, provided, however, that grantee is given written motion of the violation and a reasonable opportunity to cure the same. The time for cure shall be for such period as may be reasonably necessary to expect the violation as determined by the Dapartment of Communications.
- Section 3.2 It shall be unlawful for the owner or operator of any Telecommunications System in the City to collect Customer fees for any period of time when its Franchise has been expended or revoked by the Council. The City may bring action on behalf of itself or Customers to recover any such fees collected.
- Section 3.3 It shall be unlawful for the owner or operator of any Telecommunications System in the City to enter upon private land or buildings without due process of law including notice and hearing or without the consent of the owner or possesser.
- Section 3.4 Violation of any provisions of this Ordinance and/or any Telecommunications Systems Franchise Ordinance shall be a mindementar punishable by a fine of not more than \$500 or by imprisonment for not more than 90 days or both such fine and imprisonment. Each day of a continuing violation may be charged and punished as a separate and distinct offense.

## CTACE

Section 4.1 If any section, sub-section, sentance, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of upperlent jurisdiction, such portion shall be desued a separate, distinct and independent prevision and such holding shall not affect the validity of the remaining portions thereof.

#### ATTHERTICATION

This is to certify that the undersigned do hereby authenticate the foregoing ordinance adopted on August 1, 1995 and published on August 10, 1995, effective the day following publication.

MICHAEL A GUIDO, Kayor DUAME WYDDODONF, Gity Clark CYNTHEA KNETT

"shall be on a nondiscriminatory basis

and shall not exceed the fixed and vari-

able costs to the local unit of govern-

ment in granting a permit and main-taining the right-of-ways, easements, or

public places used by a provider." While the city cannot recoup the cost

of acquiring right of way, it can charge

firms for what it costs for upkeep and

will charge 40 cents a linear foot under-

ground and 25 cents a foot for over-head lines, plus there is a \$3,000 fee for

the provider (not users) who dig in the

council asked City Manager Frank

factly. In fact, he said his original

request, minus the initial cost of the

right-of-way, was probably much clos-

er to the costs for the city. The city

should reserve the right to change

costs based on a review of actual costs.

city will be the entity held responsible

If one of the providers does damage in

the right-of-way to either our own utili-

ties or the roadway, and possibly to the owners of other utilities. He point-

ed to the recent flasco in Auburn Hills

where a contractor dug through the

water main and turned oil water in two

cities as an example of why the city

must be very vigilant about companies digging in the city's right-ol-ways.

Chairman of the Board Phil Goy had

sent a letter with many points of contention about the proposed law, but Mayor Pro Tem Tony Pallotta had

The Chamber of Commerce

He reminded the council that the

"Will this cover Troy's costs?"

"No." he replied rather matter-of-

sight-ol-way.

Gerstenecker.

Cerstenecker suid.

Linder the new ordinance, Troy

COUNCIL, from page 1

ernment." Fees lev

led under this law



way the city wasn't going to ige the ordinance.
The ordinance itself is not intend-

ed to provide every detail," Letzmann noted. "Details will be in the franchisee agreement that is entered with the

Councilman Randy Husk said he realized that providers of telecommunications services wanted no rules and no fees for digging up.city streets. "But it ain't going to fly in this city, because (the ordinance) is the right thing for this city to do. Other cities have regulations and rates that far exceed what we originally proposed...It doesn't make any sense to let people do whatever they want."

Husk said he was fed up with the tell us what's wrong."

make their concerns know to the city.

Alexander said Troy's ordinance "is not in keeping with the law of the land." He contends TCI can dig in the right-ofway under state law and the city can't

believes differently. He called it a "proper ordinance" under state law.

Husk salled when he said, We sil recognize at this time we can't apply these rights to regulate phone service of Ameritech." He did speculate that if municipalities joined together, he suspected they could overturn Ameritech's protected status that dates back to 1904. He said one city

was not having any part of this new

ordinance. After asking council not to pass it, he said, "We are here for a permit not for a franchisa." He said MCI's exempt from the franchise requirement. T'm counting down the 90 days (under state law the city has 90 days to issue a permit), and then "we'll take the necessary remedies....You'll be arguing in state and appellate court," he said, adding that Troy was forcing MCI to go to other cities. "We will not negotiate with you at all," Harlan continged.

"When Mr. Hunk says you don't have enough money to challenge big companies in court, you're right," he added very sarcastically.

This prompted Councilman Husk to say he may have to run for council again just to ensure the city that MCI never lays a foot of cable in this city without paying all the lees. He noted that "I'm not sure this will ever go to court, but If it does, believe me, we won't go there alone. We'll be joined by cities we never heard of," he told Harlan.

(After council, when Husk was asked If he really might reconsider stepping down, he smiled and said. "I'm thinking about it." He has until January 22 to decide.)

Councilman Matt Pryor opposed passing the ordinance on the grounds that "It is illegal if passed." He said it would be "a waste of money, expended resources, and lost opportunities." He suggested the city should be talking to their legislators about protecting cities and residents.

Councilman Robert Gosselin opposed it calling it "another lay of government" and more taxes people didn't get to vote on.

However, it passed 4-2, with Mayor Jeanne Stine absent

his concerns and

providers.

nonsense from providers and their supporters. Originally, he pointed out they wanted to sign anything to get the right to dig in the right-of-ways. Their only complaint was the money," Husk said. Now they're ultolcking at the entire ordinance, "I challenge them to

EDS attorney Joan Trusty said she had no complaints with the revised ordinance. EDS is just very pleased with the responsiveness to our concerns and those of our customers and our current owner, General Motors." She thanked council for the chance to

However, TCFs attorney Jim stop them.

City Attorney Letzmann, however

Ameritech Michigan only wanted to know if it was affected in any way.

couldn't fight them alone.
MCI Maro's attorney Jim Harlan

CHAPTER 20 OF THE

and to spend on Sale

1 by the ad

# Finances Look Good for '96

ECOHONGO CIUR, frem page 1

Miller said 1995 looks to be the year where the Federal Reserve broke the back of inflation. Commodity prices and interest rates that accelerated in 1994 began to go down in 1993. Bank loans grew to a fever pitch in 1994 his started to slow in 1995

by another one-half percent.

"By acting pre-emptively to halt the rise of inflation and interest rates, Federal Receive may have added life to this recovery." he asserted.

Miller reminded his audience that inflation rates nearly tripled before the last recession, moving from below two GAZETTE NEWSPAPERS, INC.

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#### UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

LAWRENCE P. ZATYOFF.

TCG DETROIT, a New York general partnership,
Plaintiff.

96-74338

	Civil Action No.	
v.	Hon.	
CITY OF DEARBORN,	Hon.	
Defendant.	t the second	

# COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF, DAMAGES, AND OTHER RELIEF

#### JURISDICTION AND VENUE

1. This action arises under the Federal Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (codified as amended in scattered sections of 47 U.S.C.), in particular 47 U.S.C. § 253, as more fully appears below. This Court has jurisdiction of the claims stated in Counts I, II, III, and V of this complaint pursuant to 28 U.S.C. §§ 1331, 1337(a), 1343 and 2201, as an action arising under an Act of Congress regulating commerce, and seeking declaratory relief. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b), in that the sole defendant resides in this District, because a substantial part of the events giving rise to the claim occurred in this District, and because a substantial part of the property that is the subject of this action is situated in this District.

- 47. TCG Detroit's major competitor for local telecommunication services is the incumbent local telecommunications company, Michigan Bell<sup>10</sup>, which because of its former monopoly status still has virtually 100% of the local telecommunications business in Dearborn.
- 48. Michigan Bell received its license to provide basic local exchange telecommunications service in parts of Michigan, including Dearborn, under the Michigan Telecommunications Act on August 14, 1992.<sup>11</sup>
- Description has not applied its Regulatory Ordinance against Michigan Bell, TCG Detroit's major competitor, and the dominant local telecommunication's provider in Dearborn. It does not charge the dominant provider the "franchise fees" it demands of TCG Detroit. It does not demand a "franchise" or a "franchise agreement" under its Regulatory Ordinance from Michigan Bell as it demands of TCG Detroit. Nonetheless, TCG Detroit's major competitor and the dominant provider continues to operate freely in Dearborn without restriction, without local franchise regulation, and without payment of franchise fees, while TCG Detroit's efforts to compete in Dearborn are substantially restricted.
- 50. Dearborn's actions are contrary to and in violation of the Federal Telecommunications Act of 1996, and in particular 47 U.S.C. § 253(c).

<sup>&</sup>lt;sup>10</sup> Michigan Bell Telecommunications Company, a Michigan corporation, is a wholly owned subsidiary of Ameritech Corporation, which owns the former Bell operating companies in the states of Michigan, Illinois, Wisconsin, Indiana, and Ohio. Michigan Bell offers telecommunications services and operates under the names "Ameritech" and "Ameritech Michigan," pursuant to assumed name filings with the state of Michigan.

<sup>&</sup>lt;sup>11</sup> See Re New Licenses, MPSC Case No. U-10054, Opinion and Order issued August 14, 1992.

GJ/23/96 13:20 \$517 482 1819

MI CABLE TV ASSO --- MARYIN \_\_\_\_\_ D002/003

**AFFAIRSS** 

TEL:5173350118

14:56 No.005 P.02 Sep 10 96

STATE OF MICHIGAN OFFICE OF THE GOVERNOR LANSING

JOHN WHILE GOVERNOR

August 19, 1996

The Honorable William M. Cakley Mayor of Romulus Administrative and Legislative Offices 11111 Wayne Road Romulus, Michigan 48174

Dear Mayor Oakley:

I appreciate your letter of last month urging my support for efforts to change the Federal Communications Commission's (FCC) recently proposed rules on the utilization of public rights-of-way. While I certainly support state control over intrastate telecommunications issues, I am troubled by the recent discriminatory actions taken by some municipalities in Michigan. I believe communities ought to be looking for ways to attract new telecommunications companies. Instead, some are trying to circumvent Michigan law and assess illegal franchise fees. Actions taken by the City of Troy, for example, discourage investments in Michigan communities, depriving citizans of competitively priced telecommunications services.

As you know, the Michigan Telecommunications Act (MTA) prohibits local municipalities from charging excessive fees for use of the public right-of-way. For companies providing telecommunications services, fees can only be recovered to offset the cost of maintaining and overseeing the right-of-way. Fees that tax revenues from telecommunications services beyond these costs are prohibited. Some municipalities have chosen to disregard this prohibition and could face possible enforcement penalties as outlined in the MTA.

While the courts may have to decide whether certain sections of the MTA are constitutional, it is clear that federal law would supersade any state constitutional protection in this case. The FCC is working to ensure that all new \_ 13:20

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**AFFAIRSS** 

TEL:5173350118

Sep 10 96 14:57 No.005 P.03

The Honorable William M. Oakley Page Two August 19, 1996

entrants in the telecommunications arena have a level playing field when entering the market. Our state law provides for such protection and I would prefer that we control rules and regulations on this point. However, I cannot support those municipalities who would like to get out from both state and federal guidelines in this instance.

doverno

JE:rlf

cc:

Chairman Strand Commissioner Svanda Commissioner Shea

#### FRASER TREBILCOCK DAVIS & FOSTER, P.C. LAWYERS

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> Writer's Direct Dial (517) 377-0875

of Coursel Archie C. Fraser Everett R. Tresilcock JAMES R. DAVIS DONALD & HINES

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"ALSO LICENSES IN OGSTINGT OF COLLINGIA
"ALSO LICENSES IN OFFIC
"ALSO CENTIFIES PUBLIC ACCOUNTANT "ALSO LICENSED IN COLORADO

May 28, 1996

Ms. Dorothy Wideman Executive Secretary Michigan Public Service Commission 6545 Mercantile Way P. O. Box 30221 Lansing, MI 48909

> FOIA Request for Ameritech Michigan's Notices of Transfers Required Re: By Section 308 of the Michigan Telecommunications Act

Dear Ms. Wideman:

Pursuant to the Michigan Freedom of Information Act, MCL §15.231, et seq., we hereby request copies of any and all notices of Ameritech Michigan to the Michigan Public Service Commission regarding Ameritech Michigan's transfer(s), in whole or in part, of substantial assets, functions or employees associated with basic local exchange service to an affiliated entity. Ameritech Michigan is required to file these notices pursuant to Section 308 of the Michigan Telecommunications Act, 1991 PA 179, as amended, being MCL 484.2308.

This request covers documents in your possession as well as any other documents which may be in the possession of or available to any other departmental personnel. As used in this letter, the term "documents" includes all originals and any non-identical copies of records of any kind, whether formal or informal, including letters, notes, diagrams, maps, photographs, charts, video tapes, audio tapes, graphs, files, calendars, summaries, computer printouts, cards, floppy disks and any other information-bearing media which can be processed, translated or transcribed into reasonably useable form.

May 28, 1996 Page 2

In accordance with § 5(1) of the Freedom of Information Act, copies of the above-described records should be provided to the undersigned not more than five business days after the date upon which this request is delivered. If you have any questions regarding the scope of this request, please contact me at your convenience. Thank you for your cooperation.

Very truly yours,

FRASER TREBILCOCK DAVIS & POSTER, P.C.

Michael S. Ashton

MSA/csp



State of Michigan
John Engler, Governor

Department of Consumer & Industry Services Kathleen M. Wilbur, Director

Public Service Commission

6545 Mercantile Way P.O. Box 30221 Laneing, MI 48909-7721 517-334-6445

#### Commissioners

John G. Strand John C. Shea David A. Svanda

June 7, 1996

Mr. Michael S. Ashton Fraser, Trebilcock, Davis & Foster 1000 Michigan National Tower Lansing, MI 48933

Dear Mr. Ashton:

Re: Freedom of Information Act Request Concerning PA 179 As Amended

This letter is in response to your recent request, pursuant to the Michigan Freedom of Information Act, for copies of any and all notices of Ameritech Michigan to the Michigan Public Service Commission regarding Ameritech Michigan's transfer(s), in whole or in part, of substantial assets, functions or employees associated with basic local exchange service to an affiliated ontity.

Enclosed are copies of four documents located in searches of our files:

 Letter dated August 5, 1993 from Ameritech announcing the roll-out of its business units.

Letter dated March 16, 1994 from Ameritech on upcoming transfer of employees.

 Application of Michigan Bell Telephone Company for a disclaimer of jurisdiction or for authority to transfer records outside the State of Michigan, filed in Case No. U-10749 on December 13, 1994.

Commission order in Case No. U-10749, on April 27, 1995, approving transfer of records.

Dorothy Wideman

Executive Secretary

enciosures

c: W. Celio

#### STATE OF MICHIGAN

#### BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,	)	
to determine the total service long run	)	Case No. U-11103
incremental costs and imputation requirements	)	
under the Michigan Telecommunications Act.	)	

#### AFFIDAVIT OF CHRISTOPHER T. HORAK

STATE OF MICHIGAN	)
	SS:
COUNTY OF INGHAM	)

I Christopher T. Horak, having been duly sworn, state as follows:

- 1. I am the Public Affairs Director for the Michigan Cable Telecommunications Association.
- 2. I am familiar with the construction of lines necessary to provide cable television service.
- On July 20, 1995, in Plymouth Township, I observed individuals working near Ameritech trucks wearing Ameritech logos on their clothing installing both strand and coaxial cable which are necessary to provide cable television service.
- In speaking with these individuals, they advised me that they were working for Ameritech and that they were installing cable to provide cable television service.

FRASEK TREBILCOCK DAVIS & FOSTER, P.C. LAWYERS I ANSING. IGAN ... 733

5. Attached are photographs which accurately depict some of the individuals and their activities in Plymouth Township on July 20, 1995.

Further, the deponent sayth not.

Christopher T. Horak

Public Affairs Director, Michigan

Cable Telecommunications Association

Subscribed and sworn to before me this 9th day of July, 1996.

Notary Public

County, Michigan

My Commission expires:

NOTARY PUBLIC STATE OF MICHIGAN INGHAM COUNTY MY COMMISSION EXP. FEB. 26,2000

Fraser Trebilonck Davis & Foster, P.C. Lawyers VSING, UGAN 48933 C1-13-97 03:11PM FROM MICH. BELL LAW DEPT. TO 913127017711 F089/089





